

**MINUTES OF THE
SOCIAL SERVICES APPROPRIATIONS SUBCOMMITTEE**

Room 30 West House Building, State Capitol Complex

February 13, 2015

Members Present: Sen. Allen M. Christensen, Co-Chair
Rep. Paul Ray, Co-Chair
Rep. Edward H. Redd, House Vice Chair
Sen. Deidre M. Henderson
Sen. Luz Escamilla
Sen. Brian E. Shiozawa
Sen. Alvin B. Jackson
Sen. Todd Weiler
Rep. Rebecca Chavez-Houck
Sen. Mark B. Madsen
Rep. Melvin R. Brown
Rep. Bradley M. Daw
Rep. Earl D. Tanner
Rep. Sandra Hollins
Rep. Robert Spendlove
Rep. Raymond Ward

Members Excused:

Members Absent: President Wayne L. Niederhauser

Staff Present: Mr. Russell T. Frandsen, Fiscal Analyst
Mr. Stephen C. Jardine, Fiscal Analyst
Ms. Paula Winter, Secretary

Note: A copy of related materials and an audio recording of the meeting can be found at www.le.utah.gov.

1. Unfinished Items from the Previous Agenda

None

2. Call to Order/Approval of Minutes

Rep. Ray called the meeting to order at 8:07 a.m.

3. Public Input on Topics on Today's Agenda

Audit report

Tim Osterstock, Manager, Legislative Auditor General, reported on an audit requested by President Niederhauser regarding service provider rates with the Division of Services for People with Disabilities (DSPD). He referenced the report entitled, Report ILR 2015-A: A Limited Review of Provider Rates for the Division of Services for People with Disabilities, and shared

the report findings.

4. Request for Appropriation – Anesthesia Services (Rep. Gibson & Rep. Dee)

Rep. Gibson requested an increase for anesthesiologists. He referred to the document entitled Medicaid Anesthesia Rates and the comparison of state rates. He spoke next about the importance of an anesthetist.

Rep. Dee also stated the importance of an anesthetist and the service provided. He concurred about an increase for these providers.

Rep. Ray inquired what other duties an anesthetist has. Rep. Gibson explained those duties and the importance of their controlling whether or not people live.

Rep. Redd questioned what would happen to anesthetists and the Certified Registered Nurse Anesthetists (CRNA) if this request is not funded.

Rep. Gibson responded that services would continue as normal because there is not a choice. Rep. Dee spoke about level of care and also referenced the idea that if compensation is not addressed that may affect the profession. Rep. Ray commented on the many other providers that have been neglected and that perhaps we could get ahead on this particular issue. Rep. Redd commented on the needs of so many and thanked the representatives for coming. There was continued conversation between Rep. Redd, Rep. Gibson and Rep. Dee.

Rep. Tanner asked a question about compensation apart from the unit rates. Rep. Gibson explained that the rate of pay for CRNAs is probably between \$130 to \$180 thousand per year, depending on individual circumstances, but could not respond as to an anesthesiologist's compensation. There was continued conversation about the question.

5. Request for Appropriation - Workforce Financial Assistance (Sen. Shiozawa)

Sen. Shiozawa introduced Dr. Marc Babitz.

Dr. David Sundwall, Physician, Professor of Public Health at the University of Utah School of Medicine, thanked Sen. Shiozawa for sponsoring the request. He presented a proposal for a Health Professionals Financial Assistance appropriation. He stated that the appropriation would address three important policy issues and named each one. He also informed the Committee about the service providers this appropriation would address in underserved areas. He referred to the Document entitled Office of Primary Care and Rural Health, Utah Health Care Workforce Financial Assistance Program to present information. He shared statistics about the cost of education for several professions. He made the request to the Committee stating that it would be the same as previously requested.

Sen. Christensen wanted assurance that people in Salt Lake would not receive these funds.

Dr. Babitz, Family Physician, Director, Family Health and Preparedness, Utah Department of Health (UDOH), explained the requirements for these funds which include the area being medically underserved or health profession shortage area. He stated they are very strict about determining who participates in the program. He reported that Utah is the 47th worst state in terms of primary care providers to patients. He emphasized the importance of access to services not just having insurance coverage which this program is trying to address. Dr. Sundwall referred to another document illustrating underserved areas that shows that 23 of our 29 counties are all or in part considered medically underserved.

Sen. Christensen made a clarification for the Committee about another upcoming request and the similarity but noted there is a distinction between the two.

6. SUCCESS Examples and Progress – Department of Workforce Services

Not heard, might be heard during 2015 interim meetings.

7. Request for Appropriation – H.B. 18 Children’s Hearing Aid Program Amendments (Rep. Edwards)

Rep. Edwards presented the purpose of the bill. She described the request and the parameters for service qualification to participate. She spoke about those that have been served and commented on the need for early intervention. She referred to the issue of cost of hearing aids for families and the importance of the investment in saving funds in education. Rep. Edwards requested \$100,000 to continue the program.

Dr. Babitz, Family Physician, Director, Family Health and Preparedness, UDOH, stated the funding is ongoing at present and presented facts about inability to hear and learning delay issues as well as other issues encountered as a result of hearing loss. He explained that extending the age to 6 will help pick up children that would have been left out. He also informed the Committee that 1% of children in Utah deal with this issue.

Russell Frandsen, Fiscal Analyst, explained that the pilot program ends this year.

8. Request for Appropriation - Best Buddies (Rep. Ray)

Rep. Ray explained his participation with the Best Buddies program this summer and introduced the presenter.

Victoria Rocha, Deputy Director, Best Buddies International, introduced the program and explained their purpose, practices, and procedures to prepare individuals socially.

Lisa Johnson, Site Coordinator, Best Buddies University of Utah, told about her experience of working with the Best Buddies Organization and the results of seeing growth in those participating.

Caleb Ham, Chapter President, University of Utah Best Buddies, explained his experience and

has seen confidence grow in those who participate.

Justin Olson, Buddy Director, University of Utah explained how Best Buddies has affected him.

Rep. Ray commented on his experience observing the organization this summer. He stipulated that they are asking for one-time funding.

9. Request for Appropriation – S.B. 76 Rural Physician Loan Repayment Program (Sen. Hinkins)

Sen. Hinkins explained the program and asked for \$300,000.

Dave Gessel presented information about hospitals putting up matching funds and that this is specific to rural Utah and only to physicians.

Sen. Hinkins continued commenting on the need for physicians in rural areas.

Sen. Christensen commented on the support from hospitals.

Sen. Shiozawa shared about his experience in rural Utah and supported Sen. Hinkins request.

10. Request for Appropriation - SB 42 General Assistance Program Changes (Sen. Escamilla)

Sen. Escamilla explained the request of creating a restricted fund which would contain money reimbursed from the federal government and not having it go back to the General Fund so that it is available for individuals.

11. Request for Appropriation - Clubhouse Utah / Alliance House (Weiler)

Sen. Weiler introduced Leif Oldert and recommended that the Committee members visit the facility and explained some of the purposes of the Clubhouse/Alliance House.

Leif Oldert, Executive Director, Alliance House, continued to share the purpose and the qualifications Alliance House has to support those with mental illness. He requested \$120,000 annually over a 3 year period. He stated their goal for increasing employment for those in the program and the goal for participants in the program. He continued to explain benefits of previous Clubhouse activities and the statistics illustrating the information.

John Paul Williams, Member, Alliance House shared his diagnosis and a timeline of his life and experience with Alliance House in the last two years. He informed the Committee about his accomplishments and that currently he has his own housing and work.

Mr. Oldert continued with the purpose of Alliance House. He issued a challenge to the State to include a social procurement clause into the State Strategic Plan focusing on providing employment opportunities for those with mental illness and those with a disability.

Stephen Jardine, Fiscal Analyst, clarified why the request was on both the one-time and ongoing request sheets.

Sen. Weiler explained that last year there was a proposal to give the three funding all at one time which got cut back. He stated they would take either or both funding proposals.

12. FY 2014 and FY 2015 Budget Discussions, Prioritizing and Voting

Input for agencies on Ongoing and One-time Building Block List and Subcommittee Motion Sheet

- a. Mark Brasher, Deputy Director, Department of Human Services, explained that the motion being proposed by Sen. Christensen would move item on the Ongoing (Green) and One-time (Cherry) Building Block List #2 DHS –DSPD Mandated Additional Needs for \$1.5 million and move it to item #8 and move #8 – DHS State Hospital – Restore Funding Loss Due to DOH Medicaid Allocation Methods to #2. Mr. Brasher also explained a proposal regarding #D, DCFS – Review and follow up of Legislative audit, on the same green sheets.

MOTION: 3 Technical Adjustments (Senator Christensen) (see <http://le.utah.gov/interim/2015/pdf/00001717.pdf>)

Sen. Escamilla asked for explanation of why the change of #8 to #2 and #2 to #8.

Lana Stohl explained about the concern of loss of beds at the state hospital and how critical that is. Mark Brasher also commented on the reason.

Rep. Chavez-Houck wanted to make sure she was understanding their no net effect explanation.

Sen. Christensen commented.

The motion passed unanimously with Rep. Brown absent for the vote.

Mr. Brasher referred to item B on the cherry sheet, DSPD Nonlapsing Carryforward, and spoke about it. He asked the Committee to use caution with the funds so that funds would be available to pay for services when rates go up and an influx of new people occurs. Mr. Brasher and Sen. Christensen had conversation about the results of this.

Lana Stohl spoke about item # 20 on the green sheet – DHS - Forensic Competency Restoration – Waiting List Reduction and the importance of the placement of the item. Sen. Christensen commented.

Rep. Redd referred to #7 green Mental Health Early Intervention for Children /Youth and made a proposal for changing that. Ms. Stohl proposed an alternative for the Early Intervention. Rep. Redd and Ms. Stohl continued to discuss the issue. Mr. Brasher added comments.

Stephen Jardine, Fiscal Analyst, clarified the question of the match Ms. Stohl mentioned in her proposal. Rep. Redd and Mr. Jardine continued discussion. Rep. Ray added comment.

MOTION: Rep. Ray moved to reduce #7, Mental Health Early Intervention for Children/Youth, on the green sheet to \$1.2 million and authorize \$300,000 through TANF and then move item #20 to #8.

Sen. Escamilla voiced support of the motion.

The motion passed with Rep Brown absent for the vote and Sen. Weiler voting in opposition.

b. Dr. David Patton, Executive Director, Department of Health (DOH), expressed appreciation to the Committee. He discussed 2 items: (1) item J on the Ongoing State Funds Building Block List – DOH – Decouple Medicaid Outpatient Rates from Medicare Increases. He stated that this is an area DOH would like to see restored. Rep. Ray commented to clarify for the Committee.

Item # 8 on the One-time State Funds Building Block List - Chair Proposal List. DOH- Prescription Drug Abuse, Misuse, and Overdose Prevention – Dr. Patton explained that this cuts in half what DOH had and that they would not be able to do what was previously proposed with the \$500,000 request. He continued to speak to this issue.

Sen. Christensen had a question about the reduction in funding and if it would still be possible to do the program or if it would be diminished. Dr. Patton explained.

Rep. Daw addressed the effectiveness in the program over the years and was concerned about having half a program. He inquired what part of the program would be kept and Dr. Patton explained. Rep. Daw asked if there was going to be a motion made at this point.

Rep. Ray suggested that the Committee hear everything first and then move things around. Rep. Daw asked for clarification on preparing a motion. The question was answered.

Sen. Weiler asked about #40 on the Ongoing State Funds Building Block List where it says DWS (Workforce Services) and wondered if that shouldn't be DHS (Human Services). That was affirmed.

MOTION: Sen. Weiler moved to change DWS on item #40 on the Ongoing State Funds Building Block List to DHS.

The motion passed unanimously with Rep. Brown absent for the vote.

c. Russ Thelin, Executive Director, Utah State Office of Rehabilitation (USOR), began by complimenting the Committee on the work they have done, and the efforts made to understand the issues. He affirmed his intention to solve the current issue facing USOR.

Mr. Thelin referred to items #28, 29 and 30 on the green sheet (USOR funding requests). He suggested that on #29 – USOR – Independent Living Assistive Technology Program that is listed as \$500,000 ongoing funding originally it was listed as \$100,000 in ongoing funds and \$400,000 in one-time funding. He looked at the historical funding of the Technology Program. He stated that the original proposal could be considered again by the Committee if that works better.

MOTION: Sen. Christensen moved the motion “5% for Administration from Medicaid Dental.” (see <http://le.utah.gov/interim/2015/pdf/00001688.pdf>)

Rep. Chavez-Houck asked if this affects any net balance and it was clarified that this is intent language only.

The motion passed unanimously with Sen. Shiozawa and Rep. Brown absent for the vote.

MOTION: Sen. Christensen moved to approve Transfer of Non-lapsing Balance from General Assistance to Pamela Atkinson Fund (see <http://le.utah.gov/interim/2015/pdf/00001737.pdf>)

Rep. Ray clarified the motion.

Rep. Tanner asked if this should be one-time money or ongoing. He asked for clarification.

The motion passed unanimously with Sen. Shiozawa and Rep. Brown absent for the vote.

d. Jon Pierpont, Executive Director, Department of Workforce Services, introduced Nathan Harrison, Director of Finance. Mr. Pierpont stated that DWS had no Building Block requests this year.

He recommended funding of the Pamela Atkinson Fund and also the Olene Walker Housing Loan Fund request that has been heard.

Rep. Ray explained to the Committee the motion to be made next and the reason for it.

MOTION: Sen. Christensen moved to Add 3 Requests associated with the Governor’s Justice Reinvestment Initiative (see <http://le.utah.gov/interim/2015/pdf/00001743.pdf>)

The motion passed unanimously with Sen. Shiozawa and Rep. Brown absent for the vote.

MOTION: Rep. Daw referred to and moved that the One-time State Funds Building Block List - Chair Proposal #8 DOH - Prescription Drug Abuse, Misuse and Overdose Prevention be increased from \$250,000 to \$500,000.

He continued to comment on the importance of reformulating the prescriber guidelines as well as the awareness program. He continued to speak to that statement.

Sen. Henderson asked where the money is being taken from to be able to add that back in. Rep. Ray stated it will come from other items on the list. Russell Frandsen, Fiscal Analyst, denoted the running total amount and continued to explain how that works as things are moved up on the prioritizations list.

The motion passed with Sen Christensen, Sen. Madsen, Sen. Weiler, Rep. Ray, and Rep. Redd voting in opposition.

MOTION: Rep. Chavez-Houck referred to item D One-time State Funds Building Block List - Chair Proposal, Children's Health Insurance Program (CHIP) 100% Federal Match and moved to take the remaining estimate reduction of \$6,432,000 and add it to the revenue sources.

She continued to speak to this item as a possible solution of where to find money to fund items in the negative column.

Mr. Frandsen explained the effect this would have on other items on the list. There was continued comment about the money available.

Sen. Christensen informed the Committee that the CHIP program is authorized until 2019 and is funded up through 2015 and asked if it would be funded the next couple of years. He continued to comment on this.

Rep. Redd asked for clarification from Michael Hales, Deputy Director, Department of Health (DOH). Mr. Hales explained a difference in the funding scheme for CHIP which is made available by the Affordable Care Act (ACA). He continued to clarify the funding question.

Rep. Redd had another question for the Committee about what would be the procedure if the funding did not materialize. Mr. Frandsen explained that there would be time to work with that issue. There continued to be more interpretation from Mr. Hales and Mr. Frandsen about the funding. Mr. Frandsen indicated that this would require a statutory change for some of the amounts.

Sen. Escamilla added that historically CHIP has been supported in the past by Congress.

Sen. Christensen asked Mr. Frandsen to comment on the result to remaining items on the list.

Mr. Frandsen replied that there would be money left.

Rep. Chavez-Houck explained her intention with this proposal.

SUBSTITUTE MOTION: Rep. Redd moved to remove the CHIP \$12.9 million from the list presented to Executive Appropriations Committee (EAC) until the EAC takes action and fund everything remaining on the list dependent on the CHIP savings.

Rep. Daw asked about the timing of this motion proposal. Mr. Frandsen replied that worst case scenario it would be October 1, 2015 unless the federal government acts but it could be earlier.

Rep. Ray called attention to the USOR Vocational Rehabilitation \$6.3 million expenditure to keep services running. There was question if services would stop until the federal government acted. Mr. Frandsen clarified how the funding would work.

Sen. Christensen spoke against both of the motions presented.

There was comment and question from Rep. Redd and Sen. Christensen about the motions.

The substitute motion failed with Sen. Escamilla, Sen. Shiozawa, Sen. Weiler, Rep. Redd, Rep. Chavez-Houck, and Rep. Hollins voting in favor of the substitute motion.

There was return to the underlying motion by Rep. Chavez-Houck.

Rep. Daw commented to clarify the amount proposed in the motion. Rep. Ray clarified.

The motion failed with Sen. Escamilla, Sen. Weiler, Rep. Chavez-Houck, and Rep. Hollins voting in favor of the motion.

MOTION: Sen. Weiler proposed to move item #31 HB199 Pilot Program to the new item #21 and move item #38 Medicaid Dental Reimbursement to the new #19 and move item #40 - 211 Information and Referral System to item #9 on the One-time funding sheet and move item #41 – Anesthesia Services to item #20.

Sen. Christensen spoke to the concern of moving #31 and how it will affect the next dozen items. There was some conversation about the concern.

Rep. Tanner suggested a divided motion rather than an omnibus motion.

There was agreement from the maker of the motion.

Rep. Redd was in agreement and stated he has another motion for HB 199.

DIVIDED MOTION PART 1: Rep. Ray restated the motion from Sen. Weiler to approve moving item #40 – 211 Information and Referral System from Ongoing State Funds Building Block List - Chair Proposal to item #9 on the One-time State Funds Building Block List - Chair Proposal.

Sen. Christensen stated opposition to that motion and shared his feeling that it does not directly provide services. He continued to comment.

Rep. Spendlove spoke in favor of the motion and stated it is a cost-effective way to address the needs.

Sen. Weiler spoke in favor of the benefits of the 211 system helping those who do not know how to access assistance.

The divided motion part 1 passed with Sen. Christensen, Sen. Madsen, and Rep. Ray voting in opposition with Rep. Brown absent for the vote.

DIVIDED MOTION PART 2: Rep. Ray restated the motion by Sen. Weiler to move #38 – Medicaid Dental Reimbursement to the new #19 on the Ongoing State Funds Building Block List - Chair Proposal.

Sen. Christensen commented that he opposed the motion.

Rep. Chavez-Houck clarified that Sen. Hillyard presented this to the Committee.

The divided motion part 2 failed with Sen. Escamilla, Sen. Jackson, Sen. Weiler, Rep. Chavez-Houck, Rep. Hollins, Rep. Spendlove, and Rep. Tanner voting in favor of the motion.

DIVIDED MOTION PART 3: Rep. Ray restated the motion by Sen. Weiler to move #41 Anesthesia Services on the Ongoing State Funds Building Block List - Chair Proposal to the new #19.

SUBSTITUTE MOTION DIVIDED MOTION Part 3: Sen. Henderson proposed to move #41 Anesthesia Services to #26.

Rep. Tanner voiced opinion that he would oppose the motion.

The substitute motion failed with Sen. Henderson, Sen. Escamilla, Sen. Shiozawa, Sen. Weiler, Rep. Chavez-Houck, Rep. Daw, and Rep. Hollins voting in favor of the motion.

Rep. Ray reviewed Sen. Weiler Motion Part 3 moving #41 Medicaid Anesthesia to the new #19 on the Ongoing State Funds Building Block List - Chair Proposal.

The motion failed with Sen. Weiler voting in favor of the motion.

DIVIDED MOTION PART 4: Rep. Ray restated the motion to move #31 H.B. 199 to the new #19 on the Ongoing State Funds Building Block List - Chair Proposal.

Rep. Redd requested to make a substitute motion.

SUBSTITUTE MOTION to DIVIDED MOTION Part 4: Rep. Redd proposed to move #31 H.B. 199 to #22 and adopt the intent language as found on the motion entitled “Funding Options for H.B. 199” (see <http://le.utah.gov/interim/2015/pdf/00001467.pdf>).

This would use additional CHIP reduction money of \$3.2 million and that any money provided would be used in equal portions over 3 years, additionally at the end of the year if there are extra savings in any of the Medicaid services line items above the amounts provided for Medicaid Management Information System those monies would be redirected for this pilot program and also given in equal portions over the next three years.

Sen. Christensen stated support for the motion. Mr. Frandsen indicated this reduces the requests on the list.

The substitute motion to divided motion part 4 passed unanimously with Rep. Brown absent for the vote.

MOTION: Sen. Shiozawa moved to delete item J – DOH Decouple Medicaid Outpatient Rates from Medicare Increases from the Ongoing State Funds Building Block List - Chair Proposal and also delete item C – DOH Decouple Medicaid Outpatient Rates from Medicare Increases from the One-time State Funds Building Block List - Chair Proposal.

Rep. Spendlove spoke to the maker of the motion and asked how this would address Medicaid vs. Medicare. Rep. Ray reminded him this was hospital rates. Sen. Shiozawa responded to the question.

Sen. Escamilla gave some history about cuts made previously to the hospitals.

Sen. Christensen commented on the motion in opposition.

Rep. Redd commented about the Healthy Utah Plan and the willingness of hospitals to be assessed to help pay for the plan may evaporate if outpatient hospital rates are reduced.

Rep. Ray clarified for the Committee that this is not a cut. It is current funding rates. He continued to explain the decoupling situation.

Sen. Shiozawa presented his summation of the motion.

The motion failed with Sen. Escamilla, Sen. Shiozawa, Rep. Redd, Rep. Chavez-Houck, Rep. Hollins, and Rep. Ward voting in favor of the motion and Rep. Brown being absent for the vote.

MOTION: Sen. Weiler proposed to move #28 USOR-Independent Living Center Services and #29 USOR-Independent Living Assistive Technology Program on the Ongoing State Funds Building Block List - Chair Proposal to #10 and #11 on the One-time State Funds Building Block List - Chair Proposal.

Rep. Tanner clarified that this would make all the funding one-time with some comment from Sen. Weiler.

Rep. Ward voiced his concern about not knowing what is likely to be funded and asked if at some point there would be a time to know what is likely to be funded. Russell Frandsen, Fiscal Analyst, directed Rep. Ward to the list of items to clarify. There was comment about other funding projects being requested.

The motion passed with Rep. Ray and Rep. Daw voting in opposition to the motion.

MOTION: Rep. Chavez-Houck proposed to move item #23 DHS – Adult Protective Services Staffing from the Ongoing State Funds Building Block List - Chair Proposal to the new #12 on the same list.

Rep. Chavez-Houck spoke to the motion.

The motion failed with Sen. Escamilla, Sen. Weiler, Rep. Redd, Rep. Chavez-Houck, Rep. Hollins, Rep. Spendlove, and Rep. Tanner voting in favor of the motion.

MOTION: Sen. Shiozawa proposed to move item #34 Accountable Care Organization Administrative Fee on the Ongoing State Funds Building Block List - Chair Proposal to just below the USOR – Sensory Impairment Specialist and Rural Outreach.

The motion passed with Rep. Tanner voting in opposition of the motion and Rep. Brown absent for the vote.

MOTION: Sen. Escamilla proposed to move item #16 Eye Care 4 Kids on the One-time State Funds Building Block List - Chair Proposal to above the current #7 DWS Permanent Supportive Housing.

Sen. Escamilla commented on the purpose for the move.

The motion failed with Sen. Henderson, Sen. Escamilla, Rep. Chavez-Houck, Rep. Hollins, and Rep. Tanner voting in favor of the vote with Rep. Brown absent for the vote.

MOTION: Permanent Supportive Housing Intent Language (Sen. Weiler) (see <http://le.utah.gov/interim/2015/pdf/00001740.pdf>)

The motion passed unanimously with Rep. Brown absent for the vote.

MOTION: Sen. Henderson proposed to move #25 Aging Local Caregiver Support on the

Ongoing State Funds Building Block List - Chair Proposal to under #17 Office of the Medical Examiner.

Sen. Henderson spoke to the importance of keeping seniors in their homes with respite care.

Sen. Christensen commented on not being able to support the program.

Sen. Jackson spoke in support of the program.

The motion passed with Sen. Christensen and Rep. Redd voting in opposition of the vote and Rep. Brown being absent for the vote.

MOTION: Sen. Christensen moved to adjourn. The motion passed unanimously.

Co-Chair Ray adjourned the meeting at 10:55 a.m.

Sen. Allen M. Christensen, Co-Chair

Rep. Paul Ray, Co-Chair